

BRIEF NOTES OF FINANCE

Paragraphs of Current Interest for the Investor.

Rumors in the stock market are persistent until they are finally disproved or verified by existing facts. One of the most common during an active market with an upward trend is that the company will declare an initial dividend or increase its dividend if already in the dividend paying class. The rumor may prove to be true or may not, but for answering the requirements of the pools that may be operating in the stock at the time the effect is the same. Rumors have been circulated recently that the National Enameling and Stamping Company will declare a dividend on its common stock soon after the first of the year. It is said that the officials here have absolutely refused to deny or confirm the rumor. Probably this is the wisest course. If a rumor is denied, then speculators say insiders are trying to keep prices down to accumulate the stock. If the officials assume a favorable attitude toward the rumor they are said to be favoring higher prices so they can unload their holdings. So, after all, it is as effective to keep quiet as to discuss a rumor.

Building in Honolulu.

Honolulu is erecting new buildings at the rate of more than \$2,500,000 a year, says "The Honolulu Star-Bulletin." In May, June and July the total estimated cost of buildings for which permits were issued was \$62,373, which at the rate of \$2,500,000 for twelve months. Permits for buildings issued in July represented a cost of \$2,087, and for repairs, etc., \$15,523, a total of \$302,910, as against \$37,619 and \$1,432, respectively, a total of \$100,051 in June, or an increase of \$30,859 for July. There was an increase of \$40,222 for last month over the total for May, which was \$26,588. The total of all permits for the last three months was \$674,648, being an average of \$224,883 a month, or at the rate of \$2,506,500 for twelve months. Among the buildings permitted in July are a dormitory at Oahu College, to cost \$32,861, and three dwelling houses, to cost, respectively, \$10,600, \$8,500 and \$4,650.

Transactions in San Francisco.

"The San Francisco Chronicle" says that the annual report of the San Francisco Stock and Bond Exchange for the twelve months ended September 19, 1912, made a very creditable showing. The volume of business aggregated \$29,046,625. Of this total, \$17,361,231 1/2 represents the transactions in bonds, and the balance, \$11,679,476 1/2, is in the market value of various listed stocks which changed hands. As compared with the preceding year, there was an increase in the amount of bonds sold (a value of \$68,560), while in stocks there was a decrease of 33,441 shares. Taking the business as a whole, however, there was a market value increase of \$3,647,711 1/2. This was an enlarged business of more than \$30,000 a month.

Mexico's Trade in 1912.

Just what effect the mixed revolutions of Mexico will have on the republic's trade relations with other countries this year cannot be learned until the official statistics are published at the end of 1912 or in the beginning of 1913. In 1911 imports from this country into Mexico made up 55.8 per cent of that country's total imports. Exports from Mexico to the United States constituted 35 per cent of the total export trade of Mexico. According to consular information, the combined foreign trade in Mexico in 1911 was \$26,148,855, as compared with \$26,885,893 in 1910. The imports into Mexico were valued at \$36,156,267 and the exports out of the country at \$145,922,568. The share of the United States in the import and export trade was \$53,097,639 and \$109,604,938, respectively.

Freight Rates and Earnings.

It will be interesting to watch the progress of the fight being made by the railroads for permission to increase freight rates. The general impression seems to be that the Interstate Commerce Commission is more favorably disposed toward the granting of some increases. However, the railroads seem to be doing very well now, in both gross and net earnings, according to the August and September earnings reports, and if the same percentage of increase continues the railroads will not have a strong case. It may be said, however, that the railroads assume the position that 1912 is an exceptionally fat year, but in a lean year losses would be shown. One published compilation of 47 railroads for August shows that gross earnings increased \$25,860,000, or 10 per cent, while net earnings made a gain of \$4,425,000, or 15.6 per cent. Maybe forced conditions have caused railroads to develop efficiency and in that way eliminate former extravagances that used up net profits. No matter what the cause has been, railroad earnings have improved.

Which Way Will It Move?

Just at this time everybody seems to be wondering what the market will do. In one place the guess is that the influential interests are resting preparatory to a good upward movement, while in other quarters the tone is decidedly bearish. An instance was cited by one trader yesterday as showing the percentage of sentiment against a rise by the liberal terms at which calls on stocks may be purchased. A letter from one of the houses dealing in options was exhibited which offered Interborough 60 and 90 day calls at less than 3 points above the market, including the price of the option. This sort of reckoning is not infallible, but is worth considering, according to the general "dope" writers of the street.

MONEY AND EXCHANGE.

THE MONEY MARKET.—Call money was slightly higher yesterday, opened at 4% per cent, rose 1/2, closing 4% per cent. Time money, fair supply and demand. Rates, 5% per cent for four to six months. Mercantile paper was offered at 4% per cent, rates 4% for four to six months. Premiums: New York discount, bank \$1 premium; Minneapolis, par. Bank \$1.

SILVER MARKET.—Bar silver in London was easy at 29.15-26, a decline of 1¢.

MEXICAN EXCHANGE.—Mexican exchange on New York was quoted at 20% unchanged.

SUB-TREASURY.—The United States Sub-Treasury was a creditor at the Clearing House yesterday to the extent of \$1,322,552.

BANK CLEARINGS.—New York, exchange \$253,139, balances \$18,712,362; Boston, exchange \$27,882,625, balances \$3,658,778; Pittsburgh, exchange \$1,000,000, balances \$1,000,000; Baltimore, exchange \$2,160,349, balances \$2,173,100; Philadelphia, exchange \$1,000,000, balances \$1,000,000; St. Louis, exchanges \$157,704,626, balances \$487,810.

U. S. TREASURY FINANCES.

Washington, Oct. 21.—The condition of the United States Treasury at the beginning of

BOND DOTS.

The City Auditor of Cincinnati will receive proposals until noon, November 19, for the following 4 per cent tax-free bonds: \$120,500 street improvement bonds, September 1, 1912, due September 1, 1932; \$160,000 water works improvement bonds, dated September 1, 1912, due September 1, 1942; \$70,000 University building and equipment bonds, dated June 15, 1912, due June 15, 1932, denomination \$500. Accrued interest to be paid by the purchaser will declare an initial dividend or increase its dividend if already in the dividend paying class. The rumor may prove to be true or may not, but for answering the requirements of the pools that may be operating in the stock at the time the effect is the same. Rumors have been circulated recently that the National Enameling and Stamping Company will declare a dividend on its common stock soon after the first of the year. It is said that the officials here have absolutely refused to deny or confirm the rumor. Probably this is the wisest course. If a rumor is denied, then speculators say insiders are trying to keep prices down to accumulate the stock. If the officials assume a favorable attitude toward the rumor they are said to be favoring higher prices so they can unload their holdings. So, after all, it is as effective to keep quiet as to discuss a rumor.

Proposals will be received by J. V. Pennington, borough treasurer of Covington, Chester County, Penn., until 1 p. m., October 24, for \$25,000 4 1/2 per cent thirty-year, tax exempt water and street improvement bonds.

The voters of Tynall, Bonhomme County, S. D., will have submitted to them on November 5 the proposition to issue \$65,000 courthouse and jail bonds.

Douglas Fenwick & Co., of New York, were awarded the \$25,000 4 1/2 per cent water main extension bonds of Fulton, Oswego County, N. Y., at the election held recently, denomination \$1,250, dated October 23, 1912, due \$1,250 yearly October 25, 1932 to 1932 inclusive.

Mederio, Fresno County, Cal., has proposed an election to vote on the question of issuing \$600,000 lateral construction bonds.

PUBLIC UTILITY NOTES.

The Public Service Commission, 2d District, has directed its counsel to bring suit against the Newark & Marion Railway Company to recover penalties prescribed by law for failing to obey an order of the commission requiring the company to operate an oil-burning locomotive upon its railroad. Since the making of the order by the commission the company has disregarded and disobeyed the order by continuing to use a steam locomotive upon its road, generating steam by the use of coal. The railroad is 8.47 miles in length, extending from Newark to Marion.

Harris, Forbes & Co. and Spencer Trask & Co. are offering to investors at 5 1/2 \$2,000,000 first mortgage 5 per cent gold bonds of the Wisconsin Gas and Electric Company. This company, controlled by the North American company, does the entire gas business in Racine and Kenosha, Wis., and the entire electric lighting, power and street railway business in Kenosha. The cities served are enterprising, prosperous and growing manufacturing centers, with a present combined population estimated in excess of 60,000. The bonds, which have been issued with the approval of the Railroad Commission of Wisconsin, are secured, in opinion of counsel, by a direct first mortgage on the entire property, rights, franchises, etc., of the company now owned or hereafter acquired.

The earnings report of the Mexico Tramways Company for the month of September and for the first nine months of this year and the increases, as compared with 1911, are given as follows:

	1911	Increase
Gross earnings	\$4,734	\$62,600
Operating expenses	27,551	15,731
Net earnings	\$10,183	4,209
Interest	5,068,432	462,265
Operating expenses	2,379,316	178,937
Net earnings	\$2,629,116	828,326

The Sub-Treasury transferred yesterday for account of local banks \$1,000,000 to San Francisco and \$300,000 to Washington.

Directors of the Coney Island and Brooklyn Railroad Company have been re-elected, except Guy Richards, who declined to serve for another year.

David W. Armstrong, Jr., has resigned as president of the Empire State Surety Company, effective October 31, and Joseph T. Miske has been elected his successor.

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